

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN KARL WAITSCHIES**, on April 14, 2005 at 8:00 A.M., in Room 152 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Karl Waitschies, Chairman (R)  
Rep. Gary Branae, Vice Chairman (D)  
Rep. Bob Lake, Vice Chairman (R)  
Rep. Norma Bixby (D)  
Rep. Edward B. Butcher (R)  
Rep. Margaret H. Campbell (D)  
Rep. Jill Cohenour (D)  
Rep. Tom Facey (D)  
Rep. Wanda Grinde (D)  
Rep. George G. Groesbeck (D)  
Rep. Dennis Himmelberger (R)  
Rep. Carol Lambert (R)  
Rep. Dave McAlpin (D)  
Rep. Jim Peterson (R)  
Rep. Holly Raser (D)  
Rep. John (Jack) W. Ross (R)  
Rep. Scott Sales (R)  
Rep. Bill Warden (R)  
Rep. Brady Wiseman (D)

**Members Excused:** None.

**Members Absent:** Rep. John Balyeat (R)

**Staff Present:** Jeff Martin, Legislative Branch  
Debra Polhemus, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing &amp; Date Posted: SB 513, 4/7/2005; SB 521, 4/7/2005

Executive Action:

**HEARING ON SB 521****Opening Statement by Sponsor:**

00:01:39 **SEN. JIM ELLIOTT (D), SD 7**, opened the hearing on **SB 521**, Alternative minimum corporate license tax.

**Proponents' Testimony:**

00:13:47 Gene Fenderson, Montana Progressive Labor Caucus  
00:15:24 Linda Gryczan, Montana League of Women Voters

**Opponents' Testimony:**

00:16:42 George Olsen, Accountant, Galusha, Higgins & Galusha, Helena, also representing Montana Society of CPA's  
00:20:18 Mike Green, Attorney, Crowley Law Firm, Helena, representing Montana Taxpayers Association  
00:24:52 Sherm Anderson, representing Montana Logging Association and Montana Wood Products Association  
00:29:24 Joe Mazurek, representing SemiTool Corporation  
**EXHIBIT (tah80a01)**  
00:33:44 Bill Simkins, former Tax Attorney, Bozeman, Simkins Lumber and Simkins Holdings  
00:36:50 Steve Turkiewicz, President and CEO, Montana Bankers Association  
00:41:09 Robert Hanson, White Sulphur Springs, State Vice President, Montana Farm Bureau Federation  
00:42:58 **SEN. JOE BALLYEAT, SD 34**

**EXHIBIT (tah80a02)**  
00:44:12 Tom Ebzery, Nance Petroleum Corporation  
00:48:31 Jerome Anderson, Attorney, Helena representing Encore Acquisition Company  
00:50:42 Robert Fisher, Billings, Ballard Petroleum  
00:51:44 Tom Ray, Plum Creek Timber  
00:52:38 Frank Cote, representing American Health Insurance Plans and Farmers Union Mutual Insurance Company and speaking for: Jacqueline Lenmark, American Insurance Association and American Council of Life Insurers; Greg Van Horssen, State Farm Insurance Company; Larry Kibbie, PCIAA, ALPS; and Jon Metropoulos and Dwight Easton, Farmers Insurance Group  
00:55:51 Barry "Spook" Stang, Executive Vice President, Montana Motor Carriers Association  
00:58:33 Cary Hegreberg, Montana Contractors Association

**Opponents' Testimony: (con't)**

00:59:44 Nancy Schlepp, Montana Farm Bureau Federation also  
speaking for Montana Grain Growers Association  
01:00:18 Leo Berry, representing Utah Medical Insurance  
Corporation  
01:01:28 Bruce Spencer, Montana Automobile Dealers  
Association  
01:01:52 Mary Whittinghill, Montana Taxpayers Association  
01:02:17 Riley Johnson, National Federation of Independent  
Business  
01:02:32 Brad Griffin, Montana Retail Association and  
Montana Restaurant Association  
01:02:51 Jeff Feiss, Montana Telecommunications Association  
01:03:27 Webb Brown, Montana Chamber of Commerce

**EXHIBIT (tah80a03)**

01:04:10 Gail Abercrombie, Executive Director, Montana  
Petroleum Association  
01:04:31 Brad Dantic, representing ALPS Corporation

**Informational Testimony:**

01:05:32 Brian Stahley, Montana Department of Revenue

**Questions from Committee Members and Responses:**

01:05:57 **REP. BRANAE**  
01:07:47 **REP. LAMBERT**  
01:11:38 **REP. COHENOUR**  
01:14:57 **REP. McALPIN**  
01:16:30 **REP. ROSS**  
01:19:45 **REP. LAKE**  
01:20:58 **REP. BUTCHER**  
01:22:05 **REP. LAKE**

**Closing by Sponsor:**

01:22:18 **SEN. JIM ELLIOTT** closed the hearing on **SB 521**.  
  
01:30:58 Break  
  
01:43:44 Resume

**HEARING ON SB 513****Opening Statement by Sponsor:**

01:45:14 **SEN. JIM ELLIOTT (D)**, **SD 7**, opened the hearing on  
**SB 513**, Assure the accurate determination and  
collection of Montana taxes.

**Proponents' Testimony:**

02:04:54 Dan Bucks, Director, Montana Department of Revenue  
02:34:41 Evan Barrett, Governor's Office of Economic  
Development

**EXHIBIT (tah80a04)**

02:40:35 Claudia Clifford, Associate Director, Advocacy  
Chairman, Montana AARP

**EXHIBIT (tah80a05)**

02:43:31 Samantha Sanchez, Helena Attorney (retired)  
02:47:35 Gene Fenderson, Montana Progressive Labor Caucus  
02:48:49 Matt Theil, Attorney, Missoula  
02:50:29 Linda Gryczan, Montana League of Women Voters  
02:51:16 Eric Schiedemayer, speaking for Fair Share  
02:52:08 Derek Goldman, self  
02:53:33 Don Judge, representing Teamsters Local #190  
02:54:45 Don Kinman, Executive Director, AFSCME  
02:57:23 Neil Haight, self

**Opponents' Testimony:**

02:59:07 George S. Olsen, Accountant, Galusha, Higgins and  
Galusha, Helena and speaking for Montana Society  
of CPA's  
03:04:58 Mike Green, Attorney, Crowley Law Firm also  
speaking for Montana Taxpayers Association  
03:18:26 Bill Gowan, Helena Abstract and Title Company  
03:21:51 Collin Bangs, Realtor, Missoula, speaking for  
Montana Association of Realtors

**EXHIBIT (tah80a06)**

03:28:45 **SEN. JOE BALLYEAT, SD 34**

**EXHIBIT (tah80a07)**

03:32:36 Bill Simkins, former Tax Attorney, Bozeman,  
Simkins Lumber and Simkins Holdings  
03:35:20 Riley Johnson, National Federation of Independent  
Business  
03:37:28 Robert Hanson, White Sulphur Springs, Cattle  
Rancher, Vice President, Montana Farm Bureau  
Federation  
03:39:45 Barry "Spook" Stang, Executive Vice President,  
Montana Motor Carriers Association  
03:46:12 Ellen Engstedt, Montana Wood Products Association  
and also speaking for Cory Hegreberg, Montana  
Contractors Association

**EXHIBIT (tah80a08)****EXHIBIT (tah80a09)****EXHIBIT (tah80a10)**

03:51:08 Jacqueline Lenmark speaking for the insurance  
industry, Frank Cote, Farmers Union Mutual  
Insurance, Brad Dantic, ALPS, and the American  
Council of Life Insurance Companies

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**Opponents' Testimony: (con't)**

03:56:49 Robert Sewell, First American Title Company  
03:59:28 Greg Van Horsen, State Farm Insurance Company,  
Farmers Mutual Insurance Group  
04:01:20 Charles Brooks, representing Billings Area Chamber  
of Commerce  
04:01:46 Leo Berry, representing Utah Medical Insurance  
Corporation  
04:02:31 John Bloomquist, speaking for Montana Stock  
Growers Association  
04:04:03 Webb Brown, Montana Chamber of Commerce  
04:04:12 Nancy Schlepp, Montana Farm Bureau Federation  
04:05:34 Mary Whittinghill, Montana Taxpayers Association  
04:05:51 Bruce Spencer, Helena Attorney, representing  
Montana Automobile Dealers

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**Informational Testimony:** None.

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**Questions from Committee Members and Responses:**

04:07:12 **REP. McALPIN**  
04:07:55 **REP. COHENOUR**  
04:09:41 **REP. WARDEN**

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**Closing by Sponsor:**

04:11:30 **SEN. JIM ELLIOTT** closed the hearing on **SB 513**.  
  
04:17:07

**ADJOURNMENT**

Adjournment: 12:15 P.M.

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REP. KARL WAITSCHIES, Chairman

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DEBRA POLHEMUS, Secretary

KW/dp

Additional Exhibits:

**EXHIBIT ([tah80aad0.TIF](#))**